

**CHILDREN'S SOCIAL SERVICES
LOCAL AUTHORITY CIRCULAR**

LAC(2004)22

To: The Chief Executive
County Councils)
Metropolitan District Councils) England
Shire Unitary Councils)
London Borough Councils
Common Council of the City of London
Council of the Isles of Scilly

The Director of Social Services
The Finance Director

July 2004

CHILDREN'S SERVICES GRANTS 2004-05

SUMMARY

1. This circular sets out the proposed requirements for the Safeguarding Children, Adoption Support and Special Guardianship Support Services, Choice Protects, Integrated Children's Services, Looked After Children Taskforce and Regional Development Workers Grants for 2004-05. In particular:

- a) The aims and objectives of the grants;
- b) The payment arrangements for each grant;
- c) A copy of the grant determination (including the final allocations for each grant); and
- d) Details of the audit arrangements for children's services grants paid in 2003-04.

2. Local authorities which at 13 November 2003 have either a rating of three stars for social services or a Comprehensive Performance Assessment (CPA) of excellent will have no conditions attached to the grant payments, with the exception of the Integrated Children's Services Grant - the conditions for which apply to all local authorities. Please note that the purpose of the grant is the same for all local authorities. While three star and excellent local authorities are not required to follow the grant conditions outlined in this document, with the aforementioned exception, they are encouraged to do so to support the strategic aims of the grants covered in this circular. For more information on star ratings, see the Department of Health website on <http://www.doh.gov.uk/pssratings> and <http://www.audit-commission.gov.uk/> for information on the Comprehensive Performance Assessment.

ACTION

3. The following actions must be taken by all authorities, other than those which at the 13 November 2003 are rated three stars on social services and or excellent (that is, two star authorities not rated excellent, and those rated one and zero stars on social services).

- a) To ensure that the grants are spent to support the strategic aims of the grants covered in this circular.

- b) To submit a certified final statement to the Department by 30 September 2005 (except if the annual grant is less than £50k, in which case no certified final statement will be required) . Further details on the audit requirement together with an audit form will be issued in the autumn

Please note: all local authorities are required to adhere to (a) and (b) above in relation to the Integrated Children's Services Grant regardless of social services or CPA rating.

Payment Arrangements

4. The grants will be paid under section 31 of the Local Government Act 2003.
5. With the exception of Integrated Children's System grant, where local authorities will be paid 100% of the grant on or before 31 July 2004, all local authorities will be paid quarterly (the first instalment to be paid on or before 31 July 2004, the subsequent instalments to be paid on or before 1 October 2004, 1 January 2005, 31 March 2005).

ENQUIRIES

Any general enquiries about this circular and the grant scheme should be addressed to Paul O'Connor (paul.o'connor@dfes.gsi.gov.uk), tel: 020-7925-5696)
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Ben Posen (Ben.posen@dfes.gsi.gov.uk or 020 79724061) for queries about Choice Protects

Helen Steele (Helen.steel@dfes.gsi.gov.uk or 020 7972 4295) for queries about Adoption Support and Special Guardianship Support grant

Lorraine Reid (Lorraine.reid@dfes.gsi.gov.uk or 020 7972 4269) for queries about Regional Development Workers grant

John Rowlands (John.rowlands@dfes.gsi.gov.uk or 020 7972 4439) for queries about Integrated Children's System grant

CANCELLATION OF CIRCULAR

This Circular should be cancelled on 31st March 2005.

Further copies of this circular may be obtained by contacting Jamie Randall (Jamie.randall@dfes.gsi.gov.uk or 020 7925 5778)

Grants Schemes

Safeguarding Children's Grant

6. £90m has been provided as a Specific Formula Grant for the purposes of supporting councils in improving their services to safeguard children, including responding to the recommendations made in Lord Laming's report of the inquiry into the events leading up to the death of Victoria Climbié and the Joint Chief Inspectors' Report "Safeguarding Children", the establishment of Local Safeguarding Children Boards and increasing the focus on Private Fostering. These allocations have been made in line with the Children's FSS formula.

The Adoption Support and Special Guardianship Support Services Grant

7. The Adoption Act 1976, as amended by the Adoption & Children Act 2002, places a clear duty on local social services authorities to make and participate in arrangements to provide adoption support services, including financial support. The first phase of the new framework for adoption support services came into effect on 31 October 2003. The Adoption Support and Special Guardianship Support Services grant for 2004-05 is intended to help councils meet these duties.

8. This can be seen within the broader context of the Government's adoption target:

- "Maximising the contribution adoption can make to providing permanent families for children without compromising on quality, so maintaining current levels of adoptive placement stability. Specifically, by bringing councils' practice up to the level of the best, by 2004-05:
- To increase by 40 per cent the number of looked after children who are adopted, and aim to exceed this by achieving, if possible, a 50 per cent increase by 2006, up from 2,700 in 1999-2000
- To increase to 95 per cent the proportion of looked after children placed for adoption within 12 months of the decision that adoption is in the child's best interests, up from 81 per cent in 2000-01. Maintain this level (95 per cent) up to 2006."

9. It is intended that an effective adoption support system will reassure prospective adopters that they will receive the help they need to make placements work, and that this will help encourage prospective adopters to come forward, particularly for those looked after children for whom adoption has been identified as the best permanence option and who have challenging and complex needs.

10. The purpose of this grant is to support the development and provision of adoption support services in line with the Adoption Support Regulations 2003 which came into force on 31 October 2003. Adoption support services are defined by the Adoption Support Regulations 2003. Using your adoption support service provision in 2002-03 as a baseline, the grant is to be used to

- maintain the provision of existing services,
- provide new services,
- to provide existing services to more people,
- or to provide existing services in a way that meets support needs more effectively.

11. Previous circulars have outlined the significant sums of money that have already been made available to support improvements in adoption services, and that expenditure from this grant should be in addition to, and not replace, expenditure that would otherwise be made from the children's sub block of Personal Social Services (PSS) Formula Spending Share (FSS) main funding or previously the Quality Protects grant, which has been mainstreamed into the FSS from 2004-05.

12. The Adoption Act 1976, as amended by the Adoption and Children Act 2002, and the Adoption Support Services (Local Authorities) (England) Regulations 2003 introduce a range of adoption support services which local authorities must make arrangements to provide, so that these can be made available to people affected by adoption as the authority sees fit. They are:

- Financial support
- Support groups for adoptive families
- Assistance with contact arrangements between adopted children and their birth relatives
- Therapeutic Services for adopted children
- Services to ensure the continuance of adoptive relationships, including training to help meet special needs of the child and respite care
- Advice, counselling and information
- An adoption support services advisor to help those affected by adoption to access support services

13. The grant is also to be used in connection with the administrative costs of implementing the Adoption Support Regulations 2003 (including planning and the training of staff).

14. Information on current expenditure and plans for future activity under this Grant should be reported to the DFES via the existing Delivery and Improvement Statement arrangements, under the section dealing with 'Implementation of the Adoption and Children Act 2002 in respect of Adoption Support Services', and in accordance with its requirements.

15. Local authorities need to ensure that, in setting up services required under the Adoption Support Services Regulations, they also plan for how to develop and fund support services to meet the needs of all those affected by adoption that they will be required to arrange when the Adoption and Children Act 2002 is fully implemented.

16. This grant is also intended to cover funding of support services for individuals affected by special guardianship, a new private law order created by the Adoption and Children Act 2002. It is envisaged that those affected by special guardianship may have comparable needs to those affected by adoption, which might therefore be met by a similar range of support services. Special guardianship will not be available as a permanence option until September 2005, when the Adoption and Children Act 2002 is expected to come into force in full. Building capacity in support services that may help to meet the needs of those who will be affected by special guardianship orders, when available, would be a sensible preparatory action.

Choice Protects

17. The key objective for Choice Protects is to improve outcomes for looked after children through providing better placement stability, matching and choice. Local authorities were asked to use the Choice Protects grant for 2003-04 to expand and strengthen their fostering services because of the difficulties many agencies experience in relation to foster carer recruitment and retention.

18. Since Choice Protects was announced in March 2002, it has become increasingly apparent that many local authorities need to place a greater emphasis on the way that placements and services for looked after children are planned and commissioned. The development of an effective commissioning strategy, based on an assessment of the needs of the local population of looked after children, should help local authorities make more effective use of the placements budget and allow them to develop a broad range of placements within the local area. In addition to work expanding and strengthening fostering services, it is suggested that local authorities consider using some of the additional resources available in this year's grant to strengthen their planning and commissioning functions.

19. The Choice Protects grant conditions for 2003-04 required that the grant should be spent on services that expand or strengthen local authorities' fostering services. The funds were to be spent on recruitment, retention and training of foster carers or on the development or expansion of fostering services. Local authorities should continue to use the funding in this way in 2004-05, particularly when the funding is supporting longer-term commitments (for example,

the introduction of higher levels of allowances and fees for foster carers).

20. In addition, the funding may be used to improve the way that placements and services for looked after children are planned and commissioned. Local authorities are encouraged to consider using at least some of the additional Choice Protects funding that is being made available in 2004-05 for these purposes.

21. In June 2003, Margaret Hodge, Minister for Children, Young People and Families, chaired the first meeting of the Choice Protects Partnership in Placement Forum. The Forum, which brings together a wide range of commissioners and providers of placements and services for looked after children, has been asked to produce a strategic framework which will set out the key principles which should underlie the planning and commissioning of services for children living away from home. This will be published for consultation later this year.

22. Local authorities should take a multi-agency approach to commissioning to make sure that placements meet the totality of children's needs. A wide range of providers should be included in the planning and commissioning process so that placements and services are developed to meet the assessed needs of the local population of looked after children.

23. Choice Protects top-slice £30m has been allocated to local authorities in line with the Children's FSS formula. The remaining £3 million of Choice Protects funding has been top-sliced to increase capacity within the Looked After Children's Taskforce, to take forward a number of initiatives outlined in "Every Child Matters", and to fund other central initiatives which will benefit all local authorities.

Integrated Children's Services

24. The Local Authority Social Services Letter (2003)⁷ announced a capital grant of £10 million to support the development of information technology systems for children's social services. The £10M is the first tranche of a total grant of £30million payable in 2004/5 and 2005/6. More detailed guidance is provided here.

25. The grant is to be spent on building the information technology systems required to support the implementation of the Integrated Children's System (ICS).

26. This grant is therefore primarily concerned with enabling staff to record and manage electronically case record information about children being served in the context of the Children Act 1989. Developments in Information Sharing and Common Assessments and the NHS Care Record Service will require links to be defined and made. But these developments will not replace the need for the Integrated Children's System.

27. The Secretary of State may recover the full market value of any assets purchased if those assets are disposed of or cease to be used for the provision of those services for which the grant is made. The full market value shall be determined by the Secretary of State as being the value of the assets at the time the assets ceased to be used for the provision of those services for which the grant is made, or, if disposed of, at the date of disposal.

28. The grant is allocated in a way that reflects the size of local children's social services operation. The FSS formula is used for this purpose. This grant is in addition to the Capital Grant for Improving Information Management supporting Information for Social Care described in Local Authority Circular LAC(2003)17.

29. During the course of the Quality Protects programme the Government has issued information that is designed to help all councils develop their information for children's social services. These can be found on the internet and comprise:

- Children's Social Services Core Information Requirements, see www.dfes.gov.uk/qualityprotects/info/coreinformationreq.shtml
- Details of the Integrated Children's System, see: www.dfes.gov.uk/integratedchildrenssystem

- Information Outputs for Children's Social Services, see www.children.doh.gov.uk/qualityprotects/work_pro/outputs.pdf
- Defining the Electronic Social Care Record, see: www.dh.gov.uk/PolicyandGuidance/InformationTechnology/InformationforSocialCare/FS/en (and follow signs to the ESCR page)

30. This investment in information management technology for children's services must be consistent with, and to the same standards as, the wider social care and local government requirements. Details can be found on the following websites:

- www.dh.gov.uk/PolicyandGuidance/InformationTechnology/InformationforSocialCare/FS/en
- www.pro.gov.uk/recordsmanagement/standards/default.htm
- www.localgov-standards.gov.uk

31. This information is freely available. It has been brought to the attention of known suppliers of information systems in this field. Councils should ensure that they commission information systems that will be compliant with these requirements and the Integrated Children's System.

32. This information has been provided on the basis that all councils with social services responsibilities will have similar information requirements whilst mindful that councils will wish to develop systems that suit their local circumstances. This grant is meant to help councils respond to this body of information with the aim of shifting the culture away from reliance on paper systems towards electronic systems of case recording that help social services staff organise, store, analyse and retrieve often complex information on children's cases.

33. The expectation is that, in line with targets for electronic government and the published targets for implementation of electronic social care records, all authorities will have the capacity and capability to handle electronically all new referrals and subsequent case records for children's social care by December 2005. This means that the Integrated Children's System will need to be in place by then. Local authorities will therefore need to put in place a mechanism to monitor progress to ensure this target is met.

34. In addition to standard auditing, DfES will ask the Commission for Social Care Inspection to monitor the effectiveness of the grant through the Delivery and Improvement Statements.

35. The Association of Directors of Social Services advise that this grant will be spent to better advantage if it is supported by an overall strategy. This strategy should aim at ensuring that expenditure is not unnecessarily duplicated by each council acting independently. It should also address the common need for a cultural shift and associated training for key staff, including in particular front line workers, towards working directly with computers.

36. It is therefore recommended that councils identify partners with whom they have common characteristics with respect to information technology and establish cooperative partnerships. These partnerships may be on the basis of regional groupings, sharing the same major supplier, that they use in-house systems, or that they use a variety of smaller suppliers.

37. DfES will support these partnerships through the continuing engagement of Regional Development Workers (RDW). RDWs will help to ensure councils are suitably partnered and will convene meetings with groups of councils and their suppliers as appropriate. They will also assist in sharing learning from experience across regions and keeping councils up to date with relevant developments and good practice.

Regional Development Workers

38. £1 million of the funding provided for children's social services has been set aside to

meet the costs of the Regional Development worker's grant is to meet the costs of officers who assist in the Department's national training and development work for the improvement of children's social services.

39. The officers taking forward this work are called Regional Development Workers and Regional Development Assistants. The cost of them includes the officers' salaries and travelling and subsistence expenses, expenditure in respect of their employment and the costs of their training

The Looked After Children Taskforce

40. The Taskforce will support Local Councils in improving their performance on planning and delivering permanent care options for Looked After Children. It will also provide a source of advice and expertise to inform policy on development and implementation of fostering and placement commissioning.

41. The Taskforce will identify, develop and disseminate models of best practice commissioning and permanency. It will go out to Local Councils to provide support and expertise to improve children's services through workshops and good practice exchanges.

42. The Director of the Taskforce is Mike Lauerman, former Director of Social Services in Cleveland, who will lead and manage the day-to-day operational work of the Taskforce. It will have a pool of twenty to thirty members, all with relevant experience from the field of placements and commissioning, and including representatives from the voluntary sector.

Audit Requirements for 2003-04

43. Local councils were notified of the audit requirements for Children's Services (Quality Protects) and Regional Development Workers in the LASSL(2003)5 Children's Services (Quality Protects) Grant 2003-04 Section 93 Determination and Certification Arrangements .

44. The audit form QP RDW1 – Children's Services (Quality Protects) Special Grant for 2003/2004: Regional Development Workers should be completed only by those authorities who have seconded Regional Development Workers or Regional Development Assistants to the programme in 2003-04.

45. Councils are asked to ensure that the information provided to the Secretary of State is sent by the authority's Chief Finance Officer to an auditor appointed for that purpose by the Audit Commission, copied to the Department of Health at the address given below, by 30 September 2004; and that the audit form(s) are received by the Secretary of State, duly certified, not later than 31 December 2004. If the audit certificate shows that money has not been spent appropriately, some or all of the grant may have to be repaid.

46. We will circulate details of audit requirements for the 2004-05 grants shortly.